

MINUTES OF THE JOINT MEETING OF THE SENATE UTILITIES COMMITTEE AND THE
HOUSE ENERGY AND UTILITIES COMMITTEE

The meeting was called to order by Chairman Jay Emler at 9:30 A.M. on March 18, 2008 in Room 313-S of the Capitol.

Committee members absent:

Committee staff present: Raney Gilliland, Kansas Legislative Research Department
Cindy Lash, Kansas Legislative Research Department
Mike Corrigan, Revisor of Statutes
Ann McMorris, Committee Secretary

Conferees appearing before the committee:

David Owens, EVP of Business Operations, Edison Electric Institute
Caren Byrd, Executive Director - Investment Banking Division, Morgan Stanley
(Biographicals - [Attachment 1](#))

Others in attendance: See attached list

Chair Emler introduced the speakers who spoke to the group on the following:

Current National Issues Affecting the Electric Utility Industry

David Owens, EVP of Business Operations, Edison Electric Institute, stated we are confronted with some daunting challenges and concerned with our environment. He noted this is not a local, statewide or national but a global challenge. Core drivers to be balanced - (1) enormous capital expenditures; (2) rising costs and prices; (3) climate change; and (4) energy efficiency. He discussed demand projections; causes for rising energy demands; tomorrow's demands; transmission congestion; aging transmission infrastructure; electric capital investment requirements; natural gas investments; raw materials price indexes; equipment price increases; fuel costs; increasing reliance on natural gas; aging workforce; worldwide electricity demand; China's CO2 emissions; and national commitment to energy efficiency. ([Attachment 2](#))

The Investor Outlook for the Electric Utility Industry

Caren Byrd, Executive Director - Investment Banking Division, Morgan Stanley, discussed electric industry challenges. She explained capital requirements for the next 15 years involving conservation and efficiency; environmental retrofits; transmission; distribution; and generation. Other areas of information were on rate pressures; environmental concerns, technology opportunity and collaboration. ([Attachment 3](#))

Members of both the House and Senate Committees asked many questions of the conferees.

Adjournment.

Respectfully submitted,

Ann McMorris, Secretary

Attachments - 3